

An aerial photograph of the Stockton University campus, showing a wide street leading to a large gate. The image is overlaid with a semi-transparent blue filter. The text 'Our Vision for SEED: A Discussion Paper' is centered in white.

# Our Vision for SEED: A Discussion Paper

[stocktondemonstration.org](http://stocktondemonstration.org)



Stockton  
Economic  
Empowerment  
Demonstration

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## Executive Summary

The Stockton Economic Empowerment Demonstration, or SEED, is the nation's first mayor-led guaranteed income initiative. A collaboration between the Office of Mayor Michael Tubbs, the Reinvent Stockton Foundation, the Economic Security Project, and the residents of Stockton, California, SEED aims to test a simple, yet innovative, solution to poverty and inequality.

In February 2019, we began giving 125 randomly selected Stocktonians a guaranteed income of \$500 per month for 18 months. The cash is unconditional, meaning there are no work requirements and no restrictions on how the money can be spent.

SEED is being evaluated by a team of two independent researchers, Dr. Stacia Martin-West of the University of Tennessee and Dr. Amy Castro Baker of the University of Pennsylvania. Martin-West and Castro Baker are employing a mixed-methods approach to understand how the additional income impacts recipients' financial well-being, psychological distress, and physical functioning. Impact data will be shared during the demonstration on our Community Dashboard.

In addition to the data generated by the evaluation, SEED will yield a different kind of output as well: stories. The residents of Stockton know best the challenges they face in pursuit of personal and financial stability. As such, SEED will amplify and center the voices of guaranteed income recipients. In doing so, we hope to tell the story of how a steady influx of cash can change lives, and also of Stockton and its resiliency.

Funded entirely through private donations, SEED seeks to confront, address, and humanize some of the most pressing and pernicious problems our country faces: inequality, income volatility, and poverty. We hope to challenge the entrenched stereotypes and assumptions about the poor, and the working poor, that paralyze our pursuit of more aggressive solutions. We aim to illustrate that poverty is both widespread and episodic. In sum, we believe that SEED provides an opportunity to imagine a more fair and inclusive social contract that provides dignity for all.

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In the following pages, you will find our vision, hopes, and dreams for SEED. We invite the Stockton community and supporters from around the world to participate and contribute.

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## Background

Stockton, California is a city on the rise. Once the foreclosure capital of America and the largest city before Detroit to declare bankruptcy, Stockton is now ranked the second most fiscally solvent city in the nation. A city once vilified in national media for its low literacy and high crime rates is now commended for its collaboration and ingenuity. Stockton is not only recovering from the Great Recession, but reinventing itself as a leader in progressive social and economic policy.



The dot-com and real estate booms of the 1990s and early 2000s induced a naive optimism amongst Stockton's political leaders, who sought to rebrand

the city from a drowsy Central Valley town to an affordable alternative to the Bay Area. As home prices skyrocketed and tax revenues rose, the city issued a bond to finance the construction of a series of large projects, including a new city hall, an events center and arena, and marina improvement. Simultaneously, the city entered into employee contracts that offered free healthcare for life and generous pensions with eligibility to retire at age 55.

The struggle of Stockton in the last few decades is not unique. Though the U.S. is one of the wealthiest countries in the world, prosperity and well-being are not broadly shared.

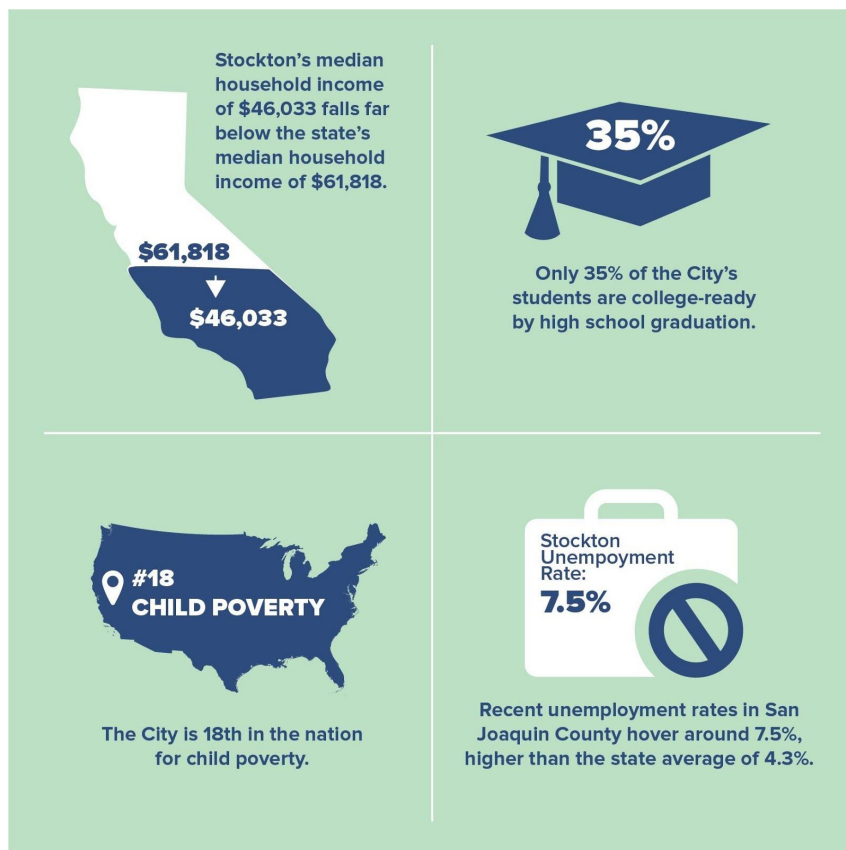
The burst of the housing bubble broke Stockton. As tax revenues declined and city coffers dried out, city leaders wrestled with the fiscal insolvency they had borne through their own mismanagement. Municipal services were eviscerated, police and fire forces were reduced, and retiree health care benefits were slashed. Unemployment surpassed 20% and violent crime, including homicides and rates of domestic violence, rose. For everyday Stocktonians, this meant that despite working hard, and playing by the rules, thousands of low-income and middle class individuals lost their livelihood and were indefinitely catapulted into a state of economic and social insecurity.

Today, Stockton is turning the corner and forging a new path as crime rates drop and the population grows. The local economy is in recovery. Yet problems persist, and the people of Stockton remain behind the nation. Stockton's median household income of \$46,033 falls far below the state's median household income of \$61,818.<sup>1</sup> Only 35% of the city's students are college ready by high school graduation and the city is 18th in the nation for child poverty. Recent unemployment rates in San Joaquin County hover around 7.5%, higher than the state average of 4.3%.<sup>2</sup>

<sup>1</sup> United States Census Bureau, <https://www.census.gov/quickfacts/fact/table/stocktoncitycalifornia/INC110216>.

<sup>2</sup> Bureau of Labor Statistics, <https://docs.google.com/document/d/1ayh8FFS2r8Tlv-pYpPMNh05qxmL4IPQi95aP1pzALQ/edit#>.

The struggle of Stockton in the last few decades is not unique. Though the U.S. is one of the wealthiest countries in the world, prosperity and well-being are not broadly shared. The Great Recession decimated the working and middle-class and exacerbated inequality, with wealth inequality between upper-income and lower- and middle-income families at the highest it has ever been. In 2016, the median wealth of upper-income families was seven times that of middle-income families; upper-income families had 75 times the wealth of lower-income families in 2016, compared with 28 times the wealth in 1983. The Recession also widened the wealth gap between white households and households of color - between 2007 and 2013, among those in the middle-income tier, the white-to-black wealth ratio increased from three-to-one to four-to-one, and the white-to-latinx wealth ratio increased from two-to-one to three-to-one.<sup>3</sup> While Asian American households generally fared better than Latinx and black families, intra-racial inequality among Asian communities rose steeply as well within the last decade.<sup>4</sup>



Rising income inequality has been coupled with rising income volatility. A changing labor market has meant that predictable work hours have become increasingly rare and that more and more workers are depending on income from commissions, tips, and hourly work with fluctuating schedules. As many as 89% of Americans see their income fluctuate by more than 5% month to month and 60% see changes in spending greater than 30% from month to month.<sup>5</sup> This volatility undermines the financial security that hard working Americans deserve.

These issues become only more intractable as the nature of work changes - though technology propels industries forward, it leaves workers behind. By 2030, automation could displace 375 million workers worldwide and 39 million workers in the United States.<sup>6</sup> Automation is anticipated to claim 47% of jobs in the coming decades, but Stockton residents are already beginning to feel the sting.

<sup>3</sup> Kochnar, R. & Cilluffo, A. (2017). "How Wealth Inequality has Changed in the U.S. Since the Great Recession, by Race, Ethnicity, and Income," Pew Research center, November 1, 2017.

<sup>4</sup> Kochhar, R. & Cliffuo, A. (2018). "Income Inequality in the U.S. is Rising Most Rapidly Among Asians," Pew Research Center, July 12, 2018.

<sup>5</sup> Farrell, D. & Grieg, F. (2015). "Weathering Volatility. Big Data on the Financial Ups and Downs of U.S. Individuals," JPMorgan Chase and Co Institute, May 2015.

<sup>6</sup> "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," McKinsey & Company, December 2017.

The question we all face now is not whether our country has an inequality problem, but rather what will we do to address it. We see the rich getting richer and the poor left hopelessly behind. The current social safety net fails to provide the economic security it purports and must be enhanced for the 21st century. One in four Stocktonians still live in poverty and many more live paycheck to paycheck, struggling to stay afloat. The stakes are simply too high for the single mother working two jobs and still living below the poverty line; for the man who spends four hours commuting daily for a job that doesn't cover his rent - for us to not try something new. It is in this reality that the Stockton Economic Empowerment Demonstration (SEED) is planted.

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## Our Vision for SEED

**“It’s such an honor to have little old Stockton, California be ground zero for for this discussion around what’s the economic floor people deserve in this country.”**

- Mayor Michael Tubbs

SEED is born out of the simple belief that the best investments we can make are in our people. In February 2019, 125 residents began receiving a guaranteed income of \$500 a month for 18 months. A hand-up, rather than a hand-out, SEED seeks to empower its recipients financially and prove to supporters and skeptics alike that poverty results from a lack of cash, not character.

We are motivated to test a guaranteed income in Stockton because we believe it is one of the most effective tools to combat poverty. Unconditional cash can supplement and enhance the current social safety net. Though the existing benefits systems target people’s essential needs, unconditional cash meets people’s most *urgent* needs. Sometimes people require more than food, housing, and medical insurance; they need a new car battery to get to work the next day, or they need cash to pay an unanticipated bill that might otherwise trigger a downward spiral. In these ways, unconditional cash mitigates the capriciousness of life and provides certainty in the midst of chaos. It gives people the freedom to make the most efficient and effective decisions. Cash also allows people to respond to their needs as they arise, rather than waiting for situations to worsen and associated costs to skyrocket.

Further, guaranteed income is tested and true. Economists at leading institutions have shown time and time again that when given unconditional cash, the poor take care of their needs and focus their energy on climbing up the economic ladder. In [\*No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer Programs\*](#), the Roosevelt Institute and Economist Ioana Marinescu summarize the empirical evidence from three major natural experiments previously conducted in the United States. Across the experiments, educational achievement increased, health outcomes substantially improved, and there was no effect on labor market

supply (a commonly cited concern). Other guaranteed income experiments have seen no increase in alcohol and tobacco expenditures as well as a decrease in criminalized activity. It is clear: guaranteed income multiplies the good, and diminishes the bad. It is time to put evidence before ideology.

In Stockton, SEED is taking place within a larger collective impact model to build a world-class cradle-to-career pipeline of education, public safety, and opportunity. This ecosystem of exciting, people-centered initiatives includes Stockton Scholars, a college access initiative that seeks to triple the number of Stockton students entering and graduating from college, and Advance Peace, a gun violence reduction strategy that provides a personalized fellowship to the young men most likely to be involved in lethal firearm offenses. Other initiatives include the Stockton Service Corps, which leverages the power of service to reverse poor educational outcomes in South Stockton, and Rise Stockton, a coalition executing on a Transformative Climate Communities (TCC) planning grant that predicates its success on mobilizing the community to realize a sustainable future.



We recognize that guaranteed income is not a panacea for urban decay or economic immobility. Alone, guaranteed income cannot reverse centuries of government-sponsored marginalization, discrimination, and neglect; it cannot fix schools with low literacy rates, forge trust between law enforcement and citizens, or provide affordable and sustainable housing options for all. However, we believe a guaranteed income can increase stability for working and middle class people and help us to recognize the inherent dignity of all people.

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## The Nuts and Bolts: How SEED Works

Since our launch announcement in October 2017, we have heard from thousands of individuals around the world about how SEED should work. Stocktonians have shared heart-wrenching stories about the ways in which a guaranteed income would provide much-needed security. Skeptics have challenged us to consider the risks, researchers from across the globe have encouraged us to learn all we can, and everyday Americans have expressed gratitude and awe that somewhere, tucked away in California’s Central Valley, a city is willing to try something new. Every bit of feedback we received informed our program and research design. Further details are available in pre-analysis plan, which is available on our website.

## Eligibility Criteria

Our eligibility criteria were determined after a 6-month design phase, during which we heard extensively from the Stockton community about its vision for SEED. Residents, elected officials, members of the faith community, and nonprofit and business leaders alike echoed three common design ideals. First, the selection process must be fair. Second, SEED’s recipient pool must be inclusive and representative of all of the city’s residents. Third, we must maximize our opportunity to learn.

To qualify, recipients had to be at least 18 years old, reside in Stockton, and live in a neighborhood with a median income at or below \$46,033.

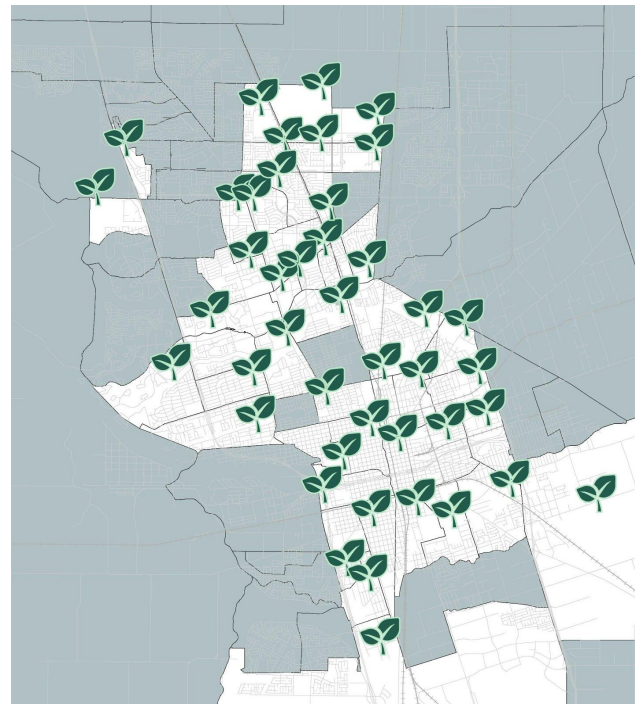
These three principles helped define our eligibility criteria. To qualify or be considered for SEED, recipients had to be at least 18 years old, reside in Stockton, and live in a neighborhood with a median income at or below \$46,033.

We chose \$46,033 because it is the city’s median household income. Centering ourselves on this number allowed us to be inclusive of residents across the city while ensuring that resources reached those in need. While our selection process targeted neighborhoods at or below the median income, there was technically no limit on individual household income. Recipients from these neighborhoods could be earning more or less than \$46,033 and still participate in SEED.

## Selection Process

With the above eligibility criteria in mind, we decided to use a randomized selection process. We believe that randomly selecting recipients was *fair*, as it provides the greatest number of eligible and interested Stocktonians the same probability of being selected. Randomized selection also maximizes our ability to *learn* and yield objective results. Lastly, by picking individuals from neighborhoods across the city, we made the guaranteed income available to an *inclusive and representative* portion of the city’s population.

To identify and select qualifying residences, we worked with our evaluation partners to map the city, identify qualifying neighborhoods, and then randomly select 4,200 residences. In December 2018, these 4,200 residences received a physical mail notice stating that they had been invited to be part of a research study through which they may qualify for a guaranteed income. The mailer was not addressed to any one person in the residence; rather, each



household decided whether to participate and who within the household would respond. To increase accessibility, these mailers were translated into the five most commonly spoken languages in Stockton: Spanish, Tagalog, Laotian, Hmong, and Khmer.

Households who were interested in participating completed a web-based consent form that asked for demographic details. From the pool of recipients who completed this process, 125 were randomly assigned to receive the guaranteed income. We also included 5 additional individuals to account for medical attrition, in the event that an individual is no longer able to continue participating due to a pre-existing medical condition, a terminal diagnosis, catastrophic injury, or the onset of a chronic illness. Another 200 individuals were randomly assigned to our control group, or a group of Stockton residents who are participating in our compensated research activities.

## **Onboarding and Disbursement**

Recipients who had been randomly assigned and selected to receive the guaranteed income were notified by phone calls, text messages, and voice messages. On the call, recipients were invited to attend an in-person, one-on-one onboarding session. Onboarding provided an overview of SEED and was an opportunity for recipients to build rapport with program staff. To ensure that the recipients' first interaction with the program was culturally responsive, onboarding was led by trained social workers and offered in both English and Spanish. Recipients receiving public benefits, like Social Security Disability Insurance or CalWorks, were also required to meet with a benefits counselor, provided in partnership with Catholic Charities Diocese of Stockton.

In February 2019, recipients began receiving \$500 per month for 18 months. The disbursement is issued on, or close to, the 15th of every month. This is based on community feedback about how Stockton families handle household finances; large expenses, like rent, are often due at the beginning of the month and benefits, like CalFresh, rarely meet a family's needs for the entire month. As such, a mid-month disbursement was the most optimal to alleviate the financial stress families face as the month progresses.

SEED's disbursement is administered via a Focus Card, or a prepaid debit card issued in each recipients' name and provided in partnership with the Oakland-based nonprofit Community Financial Resources. The Focus Card can be used wherever VISA is accepted and is part of the Allpoint network, meaning cash can be withdrawn from most ATMs without fees. The card is also accompanied by a number of other features, including text alerts, online banking, options to set up bill-pay and direct deposit, and a savings account.

Our decision to use prepaid debit cards was driven primarily by banking behaviors in Stockton. From 2013 to 2017, approximately 9.7% of Stocktonians did not have a bank account. Given this data, we decided against issuing the disbursement via direct deposit to recipients' personal accounts or via electronic apps such as Venmo and CashApp, which also require users to have bank accounts. We also decided against writing checks because we did not want any of the \$500 stripped away by check-cashing service fees. Prepaid debit cards were the most universally accessible option, and could be issued regardless of banking status and imposed zero cost on the recipients. They also offer recipients the opportunity to transfer all or some of the \$500 to their preferred banking institution or financial service they know and trust.



## Interaction with Public Benefits

We at SEED firmly believe that unconditional cash must supplement, rather than replace, the existing social safety net. As such, SEED took a series of steps, based on conversations with legal counsel, social service administrators, and other cash transfer pilots, to protect against potential benefits losses.

Where possible, the SEED team pursued waivers that exempted the guaranteed income from being included in benefits eligibility calculations. For example, we secured a waiver for CalWorks, a welfare-to-work program that provides cash aid and services to eligible families, by working closely with the San Joaquin County Human Services Agency. This waiver exempts SEED disbursements from consideration as income for all CalWorks services, including supportive services (child care, transportation, and counseling/therapy) and family stabilization (intensive case management).

There were, however, limits on which benefits could be preserved through the waiver process. To ensure no harm, SEED provided individualized benefits counseling during the onboarding process. This benefits counseling detailed exactly how the additional \$500 might impact the other benefits so that potential SEED recipients could make informed decisions prior to enrolling in the study.

While we are confident we have taken every step available to minimize the impact of guaranteed income receipt on other benefits through productive partnerships with local agencies, we also know to prepare for the unexpected. For that reason, SEED has established a Hold Harmless Fund, which will reimburse recipients for any unanticipated benefits losses. SEED will also provide support after the demonstration to recipients who need to re-enroll in benefits programs.

More details about how SEED navigated the public benefits system and structured our Hold Harmless Fund will be shared at the end of the demonstration. All materials developed and used by SEED during the recipient onboarding process, including onboarding scripts and packets, will also be shared at the end of the demonstration.

## Additional Services

SEED's guaranteed income is not accompanied by other mandatory services. While we recognize that additional education and training efforts can be helpful, our primary focus is understanding the isolated impact of the unconditional cash transfer. Recipients are, however, free to access any additional services that are offered to the public at large.



# Impact Evaluation: Learning from SEED

SEED is being evaluated by Dr. Stacia Martin-West of the University of Tennessee, and Dr. Amy Castro Baker of the University of Pennsylvania. Martin-West and Castro Baker have a proven track record of conducting rigorous and meaningful community-based research. Together, they bring decades of social services sector experience and a deep commitment to engaging Stocktonians in the learning opportunities SEED has created.

Does a  
guaranteed  
income  
reduce  
stress?

The purpose of the SEED impact evaluation is two-fold. First, an independent evaluation ensures that the lessons learned from SEED are accurate, transparent, and community-focused. Second, we hope to generate foundational evidence on the effects of modern-day cash transfer programs in the U.S. so that we may inform forthcoming experiments exploring similar concepts.

Martin-West and Castro Baker have worked closely with the SEED team, Mayor Tubbs, local advisors, and a wide network of community organizations and residents to inform their evaluation methodology. To ensure that the evaluation captures the nuances of each recipient's unique experiences with financial insecurity and guaranteed income, Martin-West and Castro Baker are employing a mixed-methods approach. This approach entails the collection of frequent surveys as well as in-depth interviews and focus groups. These methods enable recipients to reflect upon their financial lives and struggles in order to paint a more holistic image of the experience of economic insecurity.

Residents not receiving the guaranteed income are engaging in the evaluation in two ways. One way is through participation in the control group. The control group is comprised of residents who have consented to share information about their lives and financial well-being. Comparing SEED recipients with the control group will help us measure the impact of the \$500 on recipient's lives and well-being. Control group participants are being compensated for their participation.

Non-recipients can also engage through a Participatory Action Research (PAR) process, which allows non-recipient residents to share insights they feel are important to making informed decisions about guaranteed income in Stockton and nationwide. PAR has two key, external deliverables: the Community Dashboard and a learning agenda. The Community Dashboard displays aggregate and de-identified data, sourced from our long-form surveys and qualitative interviews, as well as spending trends tracked directly from the Focus Cards. The Community Dashboard launched in October 2019 and will be updated on a regular basis. The learning agenda, a set of questions that governments should answer before implementing a guaranteed income program, will be shared at the end of the demonstration.

The evaluation will help us answer the following key research questions:

1. How does a guaranteed income impact financial volatility?
2. To what degree do changes in income volatility alter financial well-being, psychological distress, and physical functioning?
3. How does guaranteed income generate agency over one's future?

We chose these research questions based on gaps in existing literature on unconditional cash transfers and guaranteed income. The history of unconditional cash transfers and guaranteed income in the Western world is marked by a distinct focus on potential macroeconomic and labor impacts. From evaluations of the Alaska Permanent Fund to negative income tax demonstrations in both the U.S. and Canada, researchers have found no appreciable impact on labor supply. Similarly, summary studies of American negative income tax programs that took place between 1968 and 1980 found little to no impact on labor force participation.

Individual-level impacts of cash extend beyond labor participation. Findings from a negative income tax experiment in the U.S. and an unconditional cash transfer program in Mexico suggest recipients make better nutrition choices than comparison groups. Further, a negative income tax experiment in Canada reported a decrease in hospitalizations, and children who received casino dividends in North Carolina reported less frequent substance abuse in adulthood. Finally, there are notable impacts on educational attainment among students whose families receive negative income tax disbursements, particularly within very low-income households and for younger children. Yet, while past studies have examined economic and health impacts separately, there is limited research on the potential impact of a guaranteed income on both areas or in the modern U.S. context, a gap SEED's research will fill.

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Additionally, income volatility, defined as an annual income fluctuation of 25% or more, impacts nearly half of the U.S. population and has dramatically increased since the 1970s. This volatility carries costs that range from increased risks of food insecurity, interrupted access to safety-net programs, delayed medical care, and housing instability; non-financial costs include stress, anxiety, and depression. As the economy, and the future of work, continues to change, it is likely that income volatility will continue interacting with health indicators. SEED's research is designed to capture and analyze income data through these up-and-down cycles.

A pre-analysis plan further detailing our research is available on our website. After the evaluation ends, a final impact evaluation report will be published outlining the results of SEED.

## Creative Storytelling: Telling Our SEED Story

SEED's commitment to innovation extends beyond the idea of guaranteed income itself; it permeates our very approach. Much of the evidence that exists about guaranteed income, or cash transfers, has been limited to quantitative evidence and confined by the limits of empirical research. SEED is eager to produce fresh stories, narratives, and dialogues that connect people to the demonstration and enrich the ways in which we learn about guaranteed income and the potential benefits of unconditional cash transfers.

We're prioritizing storytelling because data alone doesn't change hearts and minds, nor does it disrupt deep-seated social narratives about deservedness. We know this, in large part, because the numbers are already there — the Earned Income Tax Credit has lifted millions above the poverty line, and Alaska's Permanent Fund Dividend, the closest iteration of a guaranteed income in the U.S. today, has kept 2–3% of state's population above the poverty line annually since 1990. Yet these numbers haven't yet shifted public opinion and 34% of Americans still believe that anti-poverty government efforts have made things worse.

Data also doesn't challenge the racialized and gendered biases we hold, and that our policy decisions have codified. The “welfare queen” trope continues to drive paternalistic and data poor policy choices, despite the fact that black women have always had the highest levels of labor market participation.<sup>7</sup> Poverty continues to be attacked and dismissed as an issue that only affects people of color, despite nearly 1 in 10 white Americans and 4.2 million white children living below the federal poverty line.

So if the data exists, why don't we believe it? Because statistics and numbers are impersonal; when we hear them, we think of “those folks” or “others.” We don't see “us” or “me.” That's why storytelling is embedded in SEED. Stockton is an all-American city and a microcosm of this country; we're confident that Stockton's stories will be, too.

With help from community partners, we have identified the fundamentals of what it means to tell the story of SEED:

- **Give voice back.** To achieve this, we are investing in projects that center Stocktonians as the primary storytellers, including people whose stories often go untold.
- **Tell the longitudinal story of how cash impacts lives.** We are prioritizing a small handful of in-depth story engagements that track the demonstration as experienced by recipients over an extended time-frame.
- **Set the idea of a guaranteed income in a larger framework for a broader vision for a new social contract.** We aim to tell the story of SEED as part of the larger story of Stockton, a trailblazing city on the rise.

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<sup>7</sup> Banks, Nina. “Black women's labor market history reveals deep-seated race and gender discrimination,” Working Economics Blog, Economic Policy Institute, February 2019.

Our storytelling process is occurring in two phases. The first phase, baseline storytelling, established where the city was before the demonstration, and the second phase, storytelling during the demonstration, is highlighting where our city can go.

## Baseline Storytelling

Before disbursement of the guaranteed income began, storytelling was used as a vehicle to understand where Stockton stood. What hopes and fears did Stocktonians have about a guaranteed income? What stigmas, roadblocks, and challenges did Stocktonians confront on a daily basis that cash alone cannot solve? To paint this picture, SEED partnered with Adriana Brogger of San Joaquin Delta College for the Stockton Storytellers. Modeled after StoryCorps, this project was a student-driven initiative that gave Stocktonians a chance to share their own oral histories. Everyday Stocktonians were invited to share their experiences with financial insecurity, to reflect on what an extra \$500 a month would mean to them, and to consider what it would mean to live in a world where no one has to worry about satisfying their basic needs. Audio recordings of their conversations are available online at <https://www.kwdc.fm/seed>.

## Storytelling During the Demonstration

Now that disbursements have started, we are centering and elevating the voices of SEED recipients. Recipients who have volunteered to share their experiences with SEED represent a politically purposive sample that we call our storytelling cohort.

Members of the storytelling cohort fully own how they share their stories. SEED staff has broadly educated the cohort on how media and journalism works, and has helped recipients understand *how* and *why* they can consent to share their stories. We do not, however, tell recipients *what* to share. Storytellers chose if they would like to participate in our longitudinal projects, such as a long-form magazine article or podcast, or in one-time articles; where to conduct interviews; whether to use their real names or a pseudonym; and whether to make other members of their family available for comment. Recipients also choose which form of media they're most comfortable with — some prefer print interviews, while others preferred to be filmed. Recipients can also refuse storytelling altogether at any point during the demonstration. To summarize, SEED provides a platform; with a commitment to ongoing consent, storytelling recipients choose how to leverage it every step of the way.



As SEED progresses, members of our storytelling cohort will continue to engage with local and national media. While local media keeps Stockton's residents apprised of the demonstration's progress, national media elevates the city and its people to a much broader audience. By leveraging both, we hope to draw attention to the ways in which financial insecurity deprives everyday Americans of the dignity we all deserve.

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## Thought Leadership: Community Engagement and Dialogue

**“Regardless of economic situation, employment status, or race, people want to give and help others and be of service to their community and the world. People are brimming with undiscovered talent that has value, even if it’s not fully acknowledged by our current system.”**

- LaShanda Greene, SEED Supporter

SEED is for the community, by the community. Since the launch of SEED, Stockton and its residents have become a topic of national and global discussion. Our will to test bold ideas and our commitment to people-centered policies has positioned Stockton as ground-zero for reimagining a more economically equitable tomorrow. All Stocktonians, even those who don't receive the guaranteed income, are invited to participate in this dialogue.

When the initial 18 months of disbursements have been completed, SEED hopes to share stories of evolved understanding and increased empathy. Along the way, we hope to equip Stocktonians with the knowledge they need to advocate for a more fair economy. To ensure that SEED is a community initiative, we will be conducting a variety of activities to engage all residents. Some of these activities and events include:

- **Reinvent Roundtables:** SEED hopes to foment a frank and honest dialogue about poverty and inequality. To develop a framework for doing so, we have partnered with United for a Fair Economy (UFE), a national nonprofit working towards a more equitable economy. UFE is working with SEED and a number of community stakeholders, including the Conway Homes Resident Council and the Stockton Scholars, to create a curriculum that will link guaranteed income to the ongoing work towards race, gender, and economic justice. This curriculum, rooted in the principles of popular education, will be deployed in Fall 2019 and used to host a series of roundtables across the city.

- **Community Dashboard:** The Community Dashboard, referenced earlier, seeks to ensure that all Stocktonians feel ownership of and engage with the information released through the project. After we launch in October, we will host a series of focus groups across Stockton, feedback from which will be used to inform updates to the dashboard.

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## Guaranteed Income in Stockton and Beyond

Since we first launched SEED, guaranteed income has shifted from radical to realistic; from a crazy idea to a viable policy solution. Progressive leaders across the nation have followed in Stockton's footsteps, recognizing that it is possible to create an income floor. The following are policies, enacted and proposed, that mirror the work we are doing here in Stockton:

- In October 2018, Senator Kamala Harris proposed the **LIFT (Livable Incomes for Families Today) the Middle Class Act**. Following in SEED's footsteps, the Act would provide \$6,000 a year to families making less than \$100,000. Single filers earning less than \$50,000 per year would be provided up to \$3,000 per year. The tax cut could be accessed at the end of each year or monthly (\$500 for families, \$250 for individuals). Students receiving Pell Grants would also qualify for a credit of up to \$3,000.
- In October 2018, Senator Cory Booker proposed the **American Opportunity Accounts Act**, which aims to mitigate the wealth gap by creating a seed savings account for every American child when they are born. The account would be seeded with \$1,000; each year, children would receive up to an additional \$2,000 deposit, contingent upon family income. These funds would sit in a federally insured account, achieving roughly 3 percent interest, until the child reaches age 18. Though not a universal basic income, Booker's act is a form of universal basic assets.
- In June 2019, Governor Newsom more than doubled **California's Earned Income Tax Credit**. The expansion entailed raising the maximum eligible income and establishing a \$1,000 "young child credit" for households with a child under 6. The California Earned Income Tax Credit (EITC), like the federal EITC, is only available for those who have taxable earned income, excluding those who are unemployed or not in the formal labor market.
- In June 2019, Representative Rashida Tlaib announced her **Building Our Opportunities to Survive and Thrive (BOOST) Act**. Like Senator Harris's LIFT ACT, the BOOST ACT would provide an income floor of up to \$250 a month to individuals and \$500 monthly to families. There is, however, one key difference - the BOOST act has no phase-in work, mirroring what we are doing in Stockton and essentially providing a guaranteed income for those who need it most. If passed, the BOOST Act would be the first direct cash benefit in the United States not directly attached to work.

In addition, cities across the nation have begun exploring a guaranteed income. In February 2019, Chicago's Resilient Families Initiative Task Force proposed implementing a guaranteed income pilot of \$1,000 per month

to 1,000 people across the city. In March 2019, Newark’s Mayor Ras Baraka announced plans to pilot a guaranteed income. Most recently, in November 2019, Milwaukee’s Alderwoman Chantia Lewis successfully proposed a city-funded guaranteed income pilot that would provide \$500 per month to 50 families living at or below the poverty line.

The above policies are proof positive of what happens when a city dares to lead by investing in its people. We are excited to continue building on this momentum, leveraging both our data and our stories to prove why the time is now for bold, structural change.

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## Informing the Field: Lessons Learned

As the nation’s first mayor-led guaranteed income demonstration, we are excited to share lessons in implementation as we learn them and to engage in open conversation with other leaders interested in implementing similar cash-based policies. The following are some lessons learned and program mechanics that might be useful as other polities look to implement a guaranteed income or similar cash-based policies:

- **Implementation moves at the speed of trust.** In marginalized cities like Stockton, trust in public and private institutions alike remains low. As such, many recipients took a leap of faith even in responding to the SEED mailer and completing the online survey. Even after meeting with a SEED staff member for orientation, many recipients did not trust that the \$500 a month would continue for the promised 18 months.

We speculate that the lack of trust also impacted the response rate to the 4,200 invitation letters we sent. We mailed letters in two rounds. In the first round, we intentionally sent only 1,200. Prior to launching, our inbox and voicemail were full of messages from Stockton residents— single mothers, students, and those working full-time yet still unable to get ahead— looking to apply for the \$500/month. As such, we wanted to be sure that we did not send more letters than needed and fabricate false hope.

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Upon monitoring response rates, however, we decided to send another 3,000 letters. This next round of letters had a series of nudges, including a handwritten note from members of the SEED staff and a printed note on the envelope flap. We later heard from recipients that they were initially hesitant to respond because they thought SEED was a fraud.

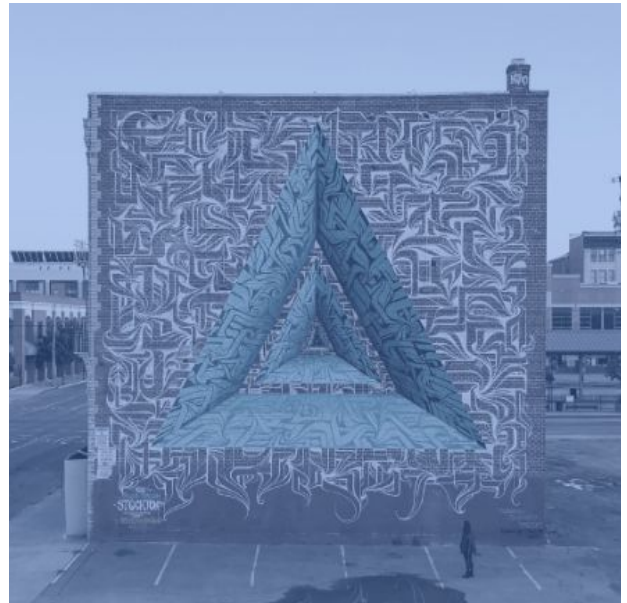
Finally, at around the same time that SEED sent out its mailers and recruited recipients, the federal government shut down and workplace raids by the Immigration and Customs Enforcement agency surged. Later during our onboarding process, we heard that the simultaneous occurrence of national events and the SEED mailers prompted concern that the program,



like federal benefits, would come to a halt and that participation in the program would risk deportation for those living in mixed-status households.

- **Build strong relationships with recipients.** Critical to SEED’s success has been the relationship building between program staff and recipients. SEED has an on-the-ground team of three: the Director, Community Engagement Officer, and Program Officer. This team not only ensures the completion of research activities, but also checks on recipient well-being and has positioned itself as a resource for recipients as they approach recertification for other benefits.

Key to establishing these strong relationships has been persistent communication. SEED staff employ a number of methods, including phone calls, text messages, emails, physical mail, and, if needed, in-person home visits. We maintain a two-way channel of communication: (1) the SEED team sends a message prior to each disbursement and research activity, and (2) recipients reach out to the team with questions about their debit cards, or even to share messages about how they are using the \$500 disbursement. Communication is more frequent with those in the storytelling cohort, with staff inquiring about media interest and sharing coverage.



- **Practice ongoing consent with recipients.** SEED is committed to recipient agency and self-determination. As such, we practice ongoing consent with recipients across all aspects of the program and recipients are, at any point, allowed to leave the program. For example, participation in research activities is highly encouraged and incentivized through compensatory gift cards, but no aspect of the research is mandatory. For those in the storytelling cohort, ongoing consent also entails choosing how frequently they engage with the media and which opportunities they accept.

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## Ethical Considerations

To protect the rights, safety, and wellbeing of all participants, our research and evaluation processes will be consistent with the guidelines of the Institutional Review Boards at both the University of Tennessee and the University of Pennsylvania. These guidelines require our team to maintain the privacy of participants and the confidentiality of their data. IRB compliance also ensures that participants make an informed and voluntary choice to participate in research activities associated with SEED. For more information about the IRB process, please visit the IRB website at the [University of Tennessee](#) and at the [University of Pennsylvania](#). Our storytelling work is following similar guidelines; participation in storytelling and interaction with journalists is completely voluntary.

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## Governance

SEED is governed by an advisory board comprised of the following individuals:

- Mayor Michael D. Tubbs, Mayor, City of Stockton
- Natalie Foster, Co-Founder, Economic Security Project
- Taylor Jo Isenberg, Executive Director, Economic Security Project
- Michael Miller, Executive Director, San Joaquin County Human Services Agency
- Dr. Ines Ruiz-Huston, Director of Intercultural Student Success, University of the Pacific

In addition, SEED is fiscally sponsored by the Reinvent Stockton Foundation, a 501(c)(3) that seeks to expand opportunity and build hope by attracting resources in Stockton and investing directly in the city's people. The Reinvent Stockton Foundation board maintains fiduciary responsibility for SEED.

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## Financing SEED

Led by a mayor, funded philanthropically, and administered by a non-profit, SEED forges a future in which the public and private sectors collaborate to create a society in which everyone can thrive. We would like to thank the following donors, whose innovative spirit has allowed this bold idea to become reality:

### Donors

- Economic Security Project
- Goldhirsh Foundation
- Future Justice Fund
- California Wellness Foundation
- Mustardseed Trust
- The California Endowment
- Silicon Valley Community Foundation
- Sunlight Giving Foundation
- John Wolthius
- Serkan Piantino
- Gretchen Sisson & Andrew McCollum
- Roy & Sara Bahat

### In-Kind Supporters and Partners

- Jain Family Institute
- University of Tennessee-Knoxville
- University of Pennsylvania, School of Social Policy & Practice

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## Conclusion

SEED is as bold as it is innovative; as ambitious as it is simple. We know that the task we have assumed and goals we have outlined are not easy. But our team, and community of supporters, are committed. We aim not only for the success of SEED and its recipients, but also to provide a glimpse into a future in which basic needs are codified as basic rights. We hope that this working paper has lent insight into our program design and goals.

For additional information, or to engage with or support our work, please visit our website at [www.stocktondemonstration.org](http://www.stocktondemonstration.org), contact our team at [info@stocktondemonstration.org](mailto:info@stocktondemonstration.org) or reach out at (209) 203-0201.